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Regional Telecommunication Commission

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Comments by Bob Chemow, Chair
Regional Telecommunications Commission (RTC) and Chair of the North Shore Cable
Commission.

“Looking Ahead: Policy Approaches to Rights-of-way Management” Panel October 16, 2002.

Utilities have changed the way they operate in the last several years. Much of their construction is subcontracted out, and they make it a practice to lease much of their equipment.

This new approach has been driven by economics, and has had both positive and negative results.

It appears also as if construction has increased over the past few years because of competitive pressures as well as the advent of new services such as broadband service.

Competitive pressures, however, have eased because over capacity in the industry has led to the failure of several firms. Nonetheless, we see the future as one where business and consumer demand for high speed Internet will continue to increase.

In our communities — some 27 municipalities in the Milwaukee Metropolitan area or about 1/3 of Wisconsin’s population — we have had an active commission, which handles telecommunication and rights-of-way issues.

In general, we operate as follows:

1. Contracts are negotiated with providers, but each community must approve its own contract. Where a community’s situation is unique such as the city of Milwaukee (which owns the conduits where lines are placed) separate negotiations take place. In principle, we negotiate as a group, but approve contracts individually. This saves us time and money as it does for the utility.

2. In creating rights-of-way and restoration standards, we use the same principle

In the past, communities differed in what their standards were and what was expected in restoration. Utilities had different standards to work with, and many sub-contractors did not bother to work with local communities.

One secret to our success was that we formed a rights-of-way and restoration committee made up of people who worked in the field—inspectors, Public Works supervisors, and engineers from the municipalities and the Department of Transportation. We emphasized the practical aspects of what was needed.

We asked to meet with one of the utilities—SBC Ameritech—and discussed at length difficulties and how to solve them.

One solution was to have a line of communications set up to handle complaints.

Another solution was to have SBC Ameritech agree to put in their contracts with subcontractors a requirement that the subcontractor meet with the local municipality to coordinate construction. This was rarely done. In addition, money would be held back from the subcontractor until restoration was signed off by the municipality.

A major benefit to this cooperation is that SBC Ameritech will save considerable money as local communities held them responsible for the work.

3. One area where there is reluctance for cooperation is when and where future building will be done. Because of competitive reasons, some utilities do not want to share their future build out plans with municipalities. This is because this would be made public. However, the cost savings to communities and utilities could be significant. We are trying to work out a system by which we let utilities know our long-term building plans so that they or we can adjust their plans.

4. Cooperation means win-win for all concerned. We have a working relationship with MEUW (Municipal Electric Utilities of Wisconsin). One of their members, Reedsburg, wanted to get high speed internet for their communities. They worked out a cooperative agreement with local telephone cooperative.

5. Much of rights-of-way and restoration has to do with local conditions, such as weather and soil conditions. And much has to do with proper enforcement. These are best done by local communities, where face-to-face discussion can be done in a timely manner.

In cases where bigger government organizations are used, enforcement is often not effective. In Wisconsin, little supervision was done by the State with Touch America. This led to problems with subcontractors who trespassed on private property or cut into sewage and water lines. In addition, the FCC and the SEC have, in the past, not done a good job in enforcing their agreements with cable companies or telecommunication companies. This is not directed as a criticism, but as a statement of the real world.

We all want the same thing: good service at reasonable cost for our communities. The RTC has worked with utilities to help accomplish this goal and to work in a “win-win” manner for all concerned.